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CENTRAL INTELLIGENCE AGENCY

REPORT NO.

## INFORMATION REPORT

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## 1. Part I - A Survey of the Correctness of the Principle of Organization.

The following are the fundamental principles of the organization of the Party for the service of the people:

- A. The organization must be established among the masses of the people to insure that it will be in close touch with the people.
- B. It must be self-conscious and have strict discipline.
- C. It must establish a collective system based on fundamental democracy.
- D. It must be sternly critical and self-critical.
- E. Party members must be absorbed with care. Every member must join the Party organization and take part in its work.

Why is the principle of the organization of the CCP entirely correct from the very beginning?

- A. This can be seen from a fundamental survey of the causes for the formation of the Party.

Imperialistic aggression established many new industries in China. At the same time it stimulated the development of capitalistic enterprises and brought about the existence of a large and powerful proletariat in China.

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The development of capitalism in China:

a. Importation of Machinery.

<u>Year</u>	<u>Value of Machinery Imported</u> (U.S. dollars in millions)
1913-16	55.0
1917	6.7
1918	10.2
1919	21.5
1920	18.5
1921	44.7
1922	42.8

b. Spinning Industry.

<u>Year</u>	<u>Factories</u>	<u>Spindles</u>	<u>Spinning Machines</u>
1915	22	544,010	2,254
1919	29	659,721	2,650
1920	37	856,894	4,540
1921	51	1,238,903	6,650
1922	64	1,593,034	9,817

c. Flour Industry.

In 1900 China had only two flour mills. By 1916 the number had increased to 67. An investigation made in 1925 showed that there were 124 modern flour mills in China, of which 107 were run by Chinese, 5 by Chinese and foreigners jointly, and 12 by foreigners. After the outbreak of World War I, China, instead of having to import flour, began to export flour to other countries and continued to do so until 1922, when the trade began to decline.

d. Silk Industry.

Between 1912 and 1927, 63 silk factories were opened in Shanghai. After the end of World War I, the match and cement industries began to develop and banking became very prosperous. Under the Manchu dynasty there were only seven banks in China. In 1923 there were more than 100.

The number of proletarians reached about 2,500,000 to 3,000,000.

- B. The daily struggle of the proletarians in China, and especially their participation in the May 4th Student Movement, increased the political consciousness of the people. They then realized that they should have a party that had combat power.
- C. The Party was formed after the victory of the Russian October Revolution and the establishment of the Communist Internationale, which gave much help and encouragement to the formation of the Party.

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As a result of the October Revolution some of the progressive elements and intelligentsia in China began to get the idea of socialism, and the new youth began to read Marxist magazines.

After the May 4th Movement some of the progressive intelligentsia began their work among the workers in Shanghai. Unions and associations were formed - mechanics' unions, printers' unions, and yarn-factory workers' unions - to struggle for the interests of the proletariat. In the meantime the socialists in the north gave help to the Workers' Ten-men's Corps in its work and established schools for the working classes.

In order to preserve the purity of the Party, purging of opportunists has been carried out incessantly since the Party's establishment.

Formation of the Party: In 1920 the Internationale sent (Wilkinsky?) and YANG Ming-chai (楊明齋), a native of Shantung, to China to organize the Party. They first recruited CHEN Tu-hsiu (陳獨秀), and the CCP was formed in Shanghai in May of that year. Among those who first joined the organization, besides CHEN Tu-hsiu, were TAI Chi-tao (戴季陶), LI Han-chun (李漢俊), SHIH Tsun-tung (施存統), CHEN Meng-tao\* (陳夢陶), YU Hsiu-sung (俞秀松), LI Ta (李達), and SHEN Hsuan-lu (沈玄廬), followed by LIU Hsiao-chi (劉少奇), LO Chueh (羅覺), PENG Shu-chih (彭述之), and others. Later the Party organization expanded in other areas. The organizers of the Party in various places were as follows:

Peiping: CHANG Kuo-tao (張國燾)  
Only seven persons joined the organization at the very beginning: among them were LI Shou-chang (李守常), CHANG Shen-fu (張申府), HUANG Ling-shuang (黃凌霜), and YUAN Ming-hsiung (袁明熊). The last two were both anarchists.

Japan : CHOU Fu-hai (周佛海), who was recruited by SHIH Tsun-tung.

Hunan : MAO (毛).

Hupei : TUNG (董), who took in CHEN Tan-chiu (陳潭秋) as a member.

Letters were sent to France for the expansion of the organization, and it was at this time that CHOU En-lai (周恩來), LI Li-san (李立三), LO Mai (羅邁), LI Fu-chun (李富春), and WANG Jo-fei (王若飛) joined the Party.

Disintegration of the Party in its initial stage: In 1920 there was lack of unity in the Party. In drawing up its provisional programs the Peiping section advocated government by the proletariat. When HUANG Ling-shuang's opposition to such a recommendation failed, the anarchists left the Party.

There was lack of integration in the Party in other places. The Kwangtung section was wholly under the control of the anarchists.

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During the purging of the Party new members were absorbed. They were CHIANG Tai-wei (張太偉), TENG Chung-? (鄧中?), LIU Jen-ching (劉仁靜), who joined in Peiping; TAN Ping-shan (譚平山) and CHEN Kung-po (陳公博), who joined in Kwangtung; SHEN Yen-ping (沈雁冰), who joined in Shanghai; and YUN Tai-ying (惲代英), who joined in Hupeh.

At the 1st Congress there was a struggle to oppose the views of the legality group and the extreme leftists. LI Han-chun (李漢俊), a representative of the legality group, advocated the propagation of theories by the opening of Marxian universities and libraries, and by the publication of printed matter. He did not favor an expansion of the organization and the workers' movement. LIU Jen-ching, a representative of the extreme leftist group, advocated a dictatorship of the proletariat and refused to participate in the democratic movement of the capitalists. He accused the intelligentsia of being representatives of the capitalists and refused to have them admitted to the Party. (LIU later became a Trotskyite.)

These two opportunists' views, inclining to the extreme right and left, were firmly disapproved at the conference. This was the basis of the subsequent workers' movement. It was decided at the conference to cooperate with Dr. SUN Yat-sen in his democratic progressive movement.

#### The First Stage: Formation of the Party and the Big Revolution.

Organization of the Masses Route: The activities of the organization of the Party are for the interests of the workers in general. The following workers' movements were under the leadership of the Party:

- A. The Ten-Men's Group, and the workers' supplementary school (later transformed into a club).
- B. The Party enthusiastically supported the Hong Kong seamen's strike in 1922. This strike was significant as a people's struggle. Its success gave impetus to a wave of strikes all over the country.
- C. With the help and encouragement of the Party the 1st Labor Conference was held in Canton on 1 May 1922. 170 delegates, representing 200,000 workers, attended the conference. It was at this conference that the All-China Labor General Union was formed.
- D. Support to workers' movements and struggles.

A manifesto was issued by the Communist Internationale and the Red workers with respect to the Wuchang-Hankow tragedy of 7 February 1922. The CCP also issued a manifesto criticizing the incident.

In June 1923, at the 3rd Congress, it was decided to join the Kuomintang (KMT) officially. In November 1923 members of our Party participated in the KMT Provisional Central Committee in Canton. The reason our Party joined the KMT was that the KMT was itself a party of the masses. The following resolution was read at the Internationale Executive Committee, 12 January 1923:

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"The KMT is the greatest organization of the people's revolution in China at present. It is composed of liberal democratic capitalists, petty bourgeois, some students, and some workers. Because the independent workers' movement in China is weak and China's most important duty at present is to oppose imperialism and its agents - the Chinese warlords - in China, the Executive Committee of the Communist Internationale is of the opinion that it is necessary for the young CCP to cooperate with the KMT."

Liquidation of the Party's Opportunists' Route.

The individual responsible persons of the leading organizations did not fully understand the significance of the Party's joining the KMT. CHEN Tu-hsiu (陳獨秀), representative of the extremists, thought that the work of the CCP should come under the KMT. Such a view was tantamount to approval of the cancellation of the Party and its affiliation with the KMT. CHANG Kuo-tao, another extremist, opposed the expansion of the KMT organization among the working masses. He advocated that the workers join the people's revolution under the banner of their own political party. If they should join the capitalistic KMT there would be danger of the idea of the proletariat being confused. The former wanted to play "the tail of the dog" while the latter favored a "closed-door" policy.

The 4th Congress, attended by 900 Party members, was held in Shanghai in January 1926, and passed the Party regulations and resolutions regarding the movements of workers, peasants, women, and youth. Past experience was reviewed and measures were set forth for the improvement of the Party's propaganda and the work of organization.

On 24 April 1927 the 5th Congress was held at Wuhan. CHEN's rightist opportunism was refuted. However, when he agreed to the resolution of refutation, he was elected to be the leader.

CHEN's faults: Attaching too much importance to high level diplomacy without paying attention to the reform and control of troops.

Mechanically splitting up the interests of the people's revolution and the peasants and workers.

Stopping the resistance against counter-revolution.

Repressing the revolutionary movements of the workers and peasants.

Disbanding the armed forces of the workers and peasants.

Incorrect handling of the relations between the Party and its ally and making the former the tail of the latter.

Second Stage: The Stage of Agrarian Revolution.

At the 6th Congress in June 1928, the Central's policy of opportunism was criticized until the outbreak of the war of resistance against Japan. In 1929 MAO pointed out emphatically the incorrectness of non-proletarian

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ideas in the Party.

- A. The headlong policy of LI Li-san and LO Chang-lung (羅章隆).
- B. CHANG Kuo-tao's opportunism of rightist inclination and warlord policy.

Third Stage: War of Resistance against Japan.

- A. HSIANG Ying (項英) favored independence.
- B. Morale adjustment (principle, religion, conservation, method of thought of petty bourgeois and method of organization). WANG Ming (王明).
- C. Amendment of Party regulations. Increase of democracy within the Party.
- D. Purging (investigation).
- E. Increase of number of Party members. Unity of members.

Where do the causes contributory to the achievements of the Party lie?

- A. Our Party serves the people whole-heartedly and works in harmony with them.
- B. It sticks to the principle of organization and the programs of the policy for serving the people.

A Review of the Great Achievements of the Party in Various Periods.

1st period: A. Formation: In 1920 the Internationale sent representatives to organize the Party. CHEN Tu-hsiu was chosen as the leader. It developed in Shanghai and soon there were 12 members. Later the organization spread to other places.

Peiping: CHANG Kuo-tao, and HUANG Ling-shuang, who later left the Party.

A section was organized in Japan by SHIH Tsun-tung with the cooperation of CHOU Fu-hai and others.

B. Unification of the Party and its development.

Brief summary of 1st Conference:

51 representatives representing Peiping, Tientsin, Shanghai, Kwangtung, Hunan and Japan. 13 were present at the conference.

In the course of this conference legality and anarchism were brought forward by LI Han-chun and HUANG Ling-shuang, respectively, and were discussed, and Party regulations were passed. This conference influenced the later cooperation between Nationalists and Communists.

In 1922 the 2nd Conference was held in Hangchow, with 200

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representatives present.

Conditions prevailing at that time were:

- a. We opposed joint autonomous movements to the separatist movements of the provincial warlords.
- b. Special attention was directed to workers' and peasants' movements because workers and peasants were the foundation of the revolution.

In 1923 the 3rd Conference was held in Hankow with more representatives present. It was at this conference that the Party decided to join the KMT on the advice of the Internationale, but under the leadership of CHEN Tu-hsiu the Party did not fully understand the Internationale's intent. CHEN advocated doing everything for the KMT. CHANG held that all workers should manifest their activities under their own banner.

After joining the KMT in 1925 the Party membership increased from 8 to 300 (sic).

- C. The initial development of the masses' movement under the leadership of our Party:

1921: Movement for increase in railway workers' wages in Peiping and Hankow.

1922: Formation of the All-China General Labor Union in Canton.

Big seamen's strike under the leadership of SU Chao-cheng (蘇潮徵). The persistence of this strike changed this from an economic struggle to a struggle for liberation of the people. There were many other big strikes at that time and most of them were successful. Workers' movements expanded all over the country. At the workers' conference in Canton there were many representatives, representing 200,000 workers.

The tragic incident of 2 February 1923 had international significance. In connection with it, telegrams of congratulation were received from the Japanese and Soviet Governments.

2nd period: January 1924. (cooperation between Nationalists and Communists) to December 1927 (Canton uprising). Massacre stage.

- A. Canton period: Special feature: anti-imperialist united front.  
Achievement: stabilizing the southern bases:
  - a. Workers' movements.
  - b. Purging of counter-revolutionaries (CHEN Lien-po/陳廉伯).
  - c. Eastern expedition on two occasions.

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- B. Wuhan period: Northern expedition.  
Peasants' and workers' movements centered at Wuchang, and developed. In 1926 there were organizations like the peasants' association in 54 districts of Hunan. The power of imperialism in China was shaken.... The KMT began to suppress us, with CHIANG at the head of the reactionary group.

C. General summary:

Mutual aid, mutual development.  
KMT from 50 to 5,000,000.  
Our Party from 5,000 to 500,000.  
Expansion of revolutionary bases by our Party.  
Development of peasants' movement.

3rd period: From December 1927 to 1936, when Red armies from three different places assembled in North Shensi.

- A. 1927 to 1930: leading the enforcement of guerrilla warfare.  
B. 1930 to end of 1931: from guerrilla to Red Army, from guerrilla to Soviet Area.  
C. 1931 to Soviet Delegation Conference in February 1932: second Soviet Delegation Conference.  
D. Long March to 1936 Conference in North Shensi.

General Summary of Achievements:

Establishment of 3,000 cooperative societies.  
Twenty to thirty million persons obtained fields and lands.  
Extermination of prostitution.  
Reduction of illiteracy.  
Annihilation in five suppressions:  
December 1930 to 1931 10,000 persons  
May and June 1931 200,000 "  
July 1931 300,000 "  
April to October 1933 250,000 "  
October 1933 to October 1934 400,000 attackers  
Mobilized a strength of about one million.

4th period: 1936 to 1945

- A. 1936 union of the West and North Armies to the Sian incident, December 1936.  
B. Sian incident to 13 August 1937.  
C. 13 August 1937 to the loss of Wuchang.  
D. Loss of Hankow to the outbreak of the Pacific War.  
E. Outbreak of the Pacific War to the Japanese surrender in 1945.

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General Summary of Achievements:

Enlargement of the Party of the masses.  
Army of 2,000,000, militia of 2,000,000 to 3,000,000, under the leadership of the Party.  
Establishment of 19 liberated areas, some of which were later evacuated to the North. 100 million people in the liberated areas were organized and assigned lands and fields. Political, economic, and cultural reforms carried out. Achievement during the war of resistance (materials to be obtained elsewhere).  
Harmony in the Party an achievement of political concept.  
Possession of a great leader like MAO.

- 5th period: A. From the end of the war of resistance to June of last year.  
B. From June of last year to date.

Achievements:

Consolidation of the liberated area. Although we have evacuated eight areas there are chances of achieving peace.  
Enforcement of land reform during the strife. (13,000,000 people have lands and fields.)  
An absolute "3-3 system" under democratic politics.  
Enlargement of the masses' organization to a strength of 130,000,000.  
Accomplishment of mobilization for war.

2. Part II - General Programs of the Party. Problems of the Nature of the Party.

Since the CCP is an organization of the proletariat in its highest form, why does it permit so many petty bourgeois to join it? Why does it carry out its work in the rural villages? How is it possible for it to represent the whole nation and the interests of the people? Under what conditions and by what means can it make sure of remaining uninfluenced and unprejudiced by the non-proletarian thought so as to complete the final liberation of the proletariat?

The reasons why so many petty bourgeois are accepted in the Party are:

- A. The integral parts of our Party are in the rural villages.  
B. As MAO has said, China is a large society, large in the middle and small at both ends.  
C. With the exception of a very few who become capitalists, the petty bourgeois tend to become bankrupt and join the proletariat and accept their education.  
D. Experience has proved that our Party can educate and reform the proletarian elements. After joining the Party most of them have a mind to learn and accept Party education in Marxism, Leninism, and MAO's thought. They learn Party discipline and take part in the revolutionary struggle of the masses. Thus their character is changed, and they tend to become good proletarian soldiers..

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### 3. Part III - Directive Thought of the Party.

The CCP carries out all its work on the basis of Marxist and Leninist theories and the unified concept of Chinese revolution, MAO's idea. It opposes any tendency to dogmatism or empiricism, idealism and the mechanistic view of the universe.

Chapter II: "Endeavor to heighten the level of self-consciousness and the understanding of Marxism, Leninism, and MAO's ideas."

For the past century the Chinese nation and people have been shedding their blood in a struggle for liberation. Their experiences in all these years of actual struggle have created their great theories, changing the people of China into a people with revolutionary ideas of modern science.

MAO's thought is the synthesis of the theories of Marx and Lenin and the practice of the Chinese revolution. That is to say, it is Chinese Communist Marxism. MAO's theory originated during China's third great revolutionary war and has developed during the long struggles of revolution of the Chinese nation and people.

Its special feature is that it represents the idea of China as well as that of Marxism and Leninism. It is for the interests of the proletariat as well as for those of the entire people.

Apart from waging war against domestic and foreign enemies of revolution, MAO Tse-tung's thought has had to struggle against various ideas within the Party: CHEN Tung-szu's policy, LI Li-san's line, and later the leftist tendency, defeatism, dogmatism, and empiricism. MAO's thought is developing. It is the only correct leading idea of the Party and a correct general teaching.

MAO's thought has a history of 24 years. It has been tested again and again in the numerous struggles and found to be correct. It is an objective truth. History has proved that the revolution has always been successful under the guidance of MAO and his idea and that without this guidance it has waned and failed. MAO's thought has contributed greatly to the liberation process in various countries.

YEH: The effect of the general program: The programs are to effect the unity of the people. When they are carried out there will be unity from the highest to the lowest and from the various locals up to the Central. Since the programs are so important, every one of us, comrade, must have a thorough understanding of them. They specify the characteristics of the Party and the foundation of the theories. They clearly specify the features and the aim of the Chinese Revolution, and the conditions under which we should stand together. The programs also state that opportunists are not permitted to be in our Party.

Why are the interests of all Chinese people represented? This is the very basis of MAO's idea.

A. The New Democracy of anti-imperialism and anti-feudalism is not only for the interests of the workers' class in China.

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- B. The CCP thinks only of the interests of the Chinese people as a whole.
- C. The interests of the proletariat and the laboring classes constitute the foundation of the interests of the people and the nation.
- D. The realization of Communism means the liberation of all mankind.

- CHOU:
- A. A supplement to the significant effect of the programs, i.e. the general conclusion from past experience.
  - B. Supplement to the transitional nature of the petty bourgeois. Classify the petty bourgeois into several kinds, and point out that there is a possibility of their being affected by Western ideas.
  - C. Why should special attention be given to work in rural villages? The population of China is mostly concentrated in villages, and 80 percent are peasants. Therefore the work of the CCP should be focussed on rural villages. Work should proceed from the village to the city. It is wrong to start in the city and work to the village. Peasants are poor and can easily accept the leadership of the proletariat and become the ally of the workers.

Coalition Government. Persistent War.

- A. Resistance by the weak nations of the world.

Significance: Written after making a general summary of the experiences in ten years of civil war and analyzing the political situation of the war in its early stage after the war of resistance.

In the war of persistence we can see MAO's synthesis of Marxian teaching and Chinese strategy and tactics as a weapon with which to attack and liquidate the many incorrect theories, and as a means of stabilizing and increasing the confidence of the people in this country and abroad.

PAI (白), CHIANG (蔣), MAI (墨), enemy,  
SHIH (史) and K (KMT ?)

Content: The war of resistance dragged on to the third stage. China is a large country with vast resources and a large population. Under the leadership of the CCP - a leadership such as she has not had in the past century - she will not meet the fate of Abyssinia and Spain.

Conditions:

- a. Japan was placed in difficulties by the war's dragging on, and her collapse was speeded up by the development of the war of persistence.
- b. Japan lacked markets. The war caused her to lose raw materials and markets.

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- c. China is revolutionary. A country of popularity deserves the help of others.

Therefore, the theory that China will be ruined is without foundation. China cannot win a short war because she is semi-feudal and semi-colonial.

China is a large country with a vast population, but she lacks good organization. This is her shortcoming. Japan has an excellency. She has a large and powerful army and is a well-organized country.

B. Strategy under the direction of war of persistence.

Deployment of the three forms of warfare:

- 1st stage: Activity comes first, position next, and guerrilla third.  
2nd stage: Guerrilla is primary, activity second, and position third.  
3rd stage: Position is first, activity second, and guerrilla third.

By what way can the persistence of strategy be achieved?

To advance or retreat boldly.

To tackle the problems of tactics.

- a. Inner circle and outer circle.  
b. Encirclement and counter-encirclement.

C. Significance of war of persistence in the present internal strife.

YEH : a. The bringing forward of the problem of the strategy of guerrilla warfare by MAO is a creation.

- b. The unlimited resources in rural areas is an important contributing factor to the war of persistence.

LIANG: a. Many difficulties are bound to be experienced in the war of persistence. In the face of them, many people become pessimistic and surrender.

- b. Rural villages encircle towns and cities.

- LO : a. It has been considered by the Party that MAO's idea is a difficult process. (Up to the present some people still do not quite understand it. Efforts must be made in this connection.) CHEN Tu-hsiu's policy, LI Li-san's policy, CHIANG Kuo-tao's policy, dogmatism and empiricism.
- b. Therefore, in order to adopt MAO's idea for the reconstruction of the Party, a better consolidation and unification of the Party must first be achieved.
- c. Departure from MAO's teaching will bring loss to the Party.
- d. MAO's idea is a weapon.
- e. Capitalists have no theories.

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LIEN : Supplementary.

- a. Strong's book, MAO Tse-tung's Idea, says that MAO is great because he changes European Marxism and Leninism into Chinese terms.
- b. How do we know that MAO's idea is the correct leading principle for the Chinese revolution?  
  
Marxism and Leninism are deployed in the people's liberation struggle.

4. Part IV - The Problem of the Special Features of the Chinese Revolution.

The characteristics of Chinese society are that it is semi-colonial, semi-feudal, and only recently democratic. These characteristics show that the social, economic and political systems in China are unbalanced and complicated.

25X1A6a \* ~~SECRET/CONTROL~~ Comment. No characters were received for this name. The Cantonese form is CHAN Mong-to.

25X1A6a \*\* ~~SECRET/CONTROL~~ Comment. The third character for this name was not received. The name in Cantonese is TANG Chung-ha.

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